

Before the State of South Carolina
Department of Insurance

In the matter of:)	
)	
Tommie Hayward)	Default Order Revoking
)	Resident Insurance Agent's License
2264 Carver School Road)	
Cope, South Carolina 29038.)	
_____)	File Number 2000-101231

This matter comes before me pursuant to a Letter of Allegation and Notice of Opportunity for Public Hearing served, as required within S.C. Code Ann. § 38-3-170 (Supp. 1999), by the State of South Carolina Department of Insurance upon Tommie Hayward, a licensed South Carolina resident insurance agent, by both certified mail, return receipt requested, and by regular mail.

That letter informed Hayward of his right to request a public hearing upon the allegations of impropriety contained within the letter against him. The letter further warned that his failure to make a timely, written request would result in my summary revocation of his license to do business as a resident insurance agent within the State of South Carolina. Despite that warning, Hayward had neither timely answered nor requested a public hearing. On December 4, 2000, therefore, counsel for the Department filed an Affidavit of Default, and the entire matter was submitted directly to me for my summary decision based solely on the record.

The letter alleged, and I now find as fact, that while licensed to do business as a resident insurance agent within the State of South Carolina for Lincoln Heritage Life Insurance Company, Hayward informed customers of incorrect premiums and then altered customer checks to reflect the correct premium without the customer's knowledge or consent. Lincoln Heritage Life also alleged Hayward misstated facts in applications to that insurer. These acts, as alleged, are a direct violation of S.C. Code Ann. § 38-43-130 (Supp. 1999). That Code section provides the Director or his designee "may revoke or suspend an agent's license after ten day's notice...when it appears that an agent...has willfully deceived or dealt unjustly with the citizens of this State." This Code section goes on in Subsection (1) to describe "deceived or dealt unjustly with the citizens of this state" specifically to include, "misstating the facts in an application for insurance or aiding in the misstatement of facts." Subsection (2) makes that language include "failing to inform promptly the customer or insured of the correct premium or informing him of an incorrect premium based on information furnished the agent by the customer or insured."

In accordance with my findings of fact, and considering Hayward's complete refusal to avail himself of his opportunity to be heard, I now conclude, as a matter of law, that he willfully deceived and dealt unjustly with the citizens of South Carolina, thereby violating S.C. Code Ann. § 38-43-130(1) and (2) (Supp. 1999), and that his license should be revoked.

This administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 1999). Nothing contained within this administrative disciplinary order should be construed to limit or to deprive any person of any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110 (4) (Supp. 1999), of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the law relative to the business of insurance or the provisions of this title which he considers necessary to report."

It is therefore ordered that Tommie Hayward's license to transact business as a resident insurance agent within the State of South Carolina be, and is hereby, revoked, and that no license, issued through the State of South Carolina Department of Insurance is to be issued to him.

It is further ordered that a copy of this Order be transmitted to the National Association of Insurance Commissioners for distribution to its current member states and to each insurer for which Hayward is currently licensed, through the State of South Carolina Department of Insurance, as a resident insurance agent within the State of South Carolina.

This order becomes effective as of the date of my signature below

A handwritten signature in black ink, appearing to read "E.N. Csiszar", with a long horizontal flourish extending to the right.

Ernst N. Csiszar
Director

December 5, 2000 at
Columbia, South Carolina